

House File 2661 - Introduced

HOUSE FILE _____
BY MAY

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the issuance of tax credits to improve
2 infrastructure.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 6108YH 82
5 da/rj/14

PAG LIN

1 1 Section 1. NEW SECTION. 174.24 ISSUANCE OF TAX CREDIT
1 2 CERTIFICATES TO SUPPORT INFRASTRUCTURE.
1 3 1. A county fair qualifies to receive assistance under
1 4 this section if all of the following applies:
1 5 a. It is located in a county having a population of less
1 6 than twenty thousand.
1 7 b. Its fair event was attended by more than two hundred
1 8 fifty thousand persons for each of the last three years.
1 9 2. The department of revenue shall issue a tax credit
1 10 certificate to the county fair after calculating the revenue
1 11 collected from the sales tax imposed upon the retail sales of
1 12 tangible personal property and the furnishing of enumerated
1 13 services as provided in chapter 423. The department shall
1 14 consider the sales taxes collected by all persons doing
1 15 business in a city nearest in proximity to the qualifying
1 16 county fair. The department shall obtain the amount of the
1 17 tax credit by subtracting the total amount of the sales tax
1 18 receipts collected for the same number of days that the fair
1 19 event is conducted immediately preceding the fair event from
1 20 the sales tax receipts collected during the days of the fair
1 21 event.
1 22 3. The department of revenue shall deliver the tax credit
1 23 certificate to the fair within one hundred twenty days from
1 24 the date that the fair event commenced. The tax credit
1 25 certificate shall contain the fair's name, address, tax
1 26 identification number, the amount of the tax credit, and other
1 27 information required by the department.
1 28 4. The fair may transfer the tax credit to any person.
1 29 a. The taxpayer to whom the tax credit has been
1 30 transferred may claim the amount of the tax credit against any
1 31 income tax due. Any credit in excess of the taxpayer's tax
1 32 liability shall be refunded. In lieu of claiming a refund,
1 33 the taxpayer may elect to have the overpayment shown on the
1 34 taxpayer's final, completed return credited to the tax
1 35 liability for the following tax year.
2 1 b. An individual may claim the tax credit allowed a
2 2 partnership, limited liability company, S corporation, estate,
2 3 or trust electing to have the income taxed directly to the
2 4 individual. The amount claimed by the individual shall be
2 5 based upon the pro rata share of the individual's earnings of
2 6 a partnership, limited liability company, S corporation,
2 7 estate, or trust.

EXPLANATION

2 8 This bill provides for the issuance of a tax credit
2 9 certificate to a qualifying county fair for purposes of
2 10 supporting infrastructure. The tax credit certificate
2 11 evidences a tax credit for an amount calculated on sales tax
2 12 receipts generated by the local community in proximity to the
2 13 fair. The amount is the difference between the tax
2 14 collections immediately preceding the fair event and the time
2 15 that the fair event is being conducted. The bill provides
2 16 that the fair may transfer the tax credit to another person
2 17 who may claim the amount of the tax credit on the person's
2 18 income tax return.
2 19
2 20 LSB 6108YH 82

